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EXAMINER

BOVEJA, NAMRATA

ART UNIT	PAPER NUMBER
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3622

NOTIFICATION DATE	DELIVERY MODE
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12/23/2010

ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

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Office Action Summary	Application No. 09/932,714	Applicant(s) JONES, DANA HOWARD	
	Examiner NAMRATA BOVEJA	Art Unit 3622	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 20 September 2010.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-70 is/are pending in the application.
- 4a) Of the above claim(s) 2,7,8,12-16,19-23 and 27-55 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1,3-6,9-11,17,18,24-26 and 56-70 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 08/17/01 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. This office action is in response to the RCE communication filed on 09/20/2010.
2. Claims 2, 7, 8, 12-16, 19-23, and 27-55 have been cancelled. Claims 1, 3-6, 9-11, 17, 18, 24-26, and 56-70 are presented for examination.
3. Amendments to claims 1, 3-5, 6, 9-11, 17, 18, 24-26, and 56-70 have been entered and considered.

Objection

4. *Claim 70 recites the system according to claim 57, however claim 57 is a method claim. It is interpreted that the Applicant meant the method instead of the system. Appropriate correction is required.*

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 1, 3, 5, 6, 9-11, 17-18, 24-26, 57-58, and 60-69 are rejected under 103(a) as being *unpatentable over Toader (Patent Number 5,774,869 hereinafter Toader) in view of Krishan et al. (Patent Number 6,442,529 hereinafter Krishan) and further* in view of Official Notice.

In reference to claims 1 and 57, *Toader* teaches a *method and system* for offering *real-time* incentives related to purchase transactions of media products or services over a communications network *by a consumer communication device*, said

Art Unit: 3622

system comprising: a vendor computer *system (abstract and col. 2 lines 38-67)*, said vendor computer *system having at least one processor* being programmed to perform the steps of: selecting a sponsor message to be associated with a for-sale product or a for-sale service provided by a vendor, said sponsor message being selected from a plurality of sponsor messages (*i.e. guided tour, coupon, logo, survey, and product information*), wherein each sponsor message includes an advertisement provided by a sponsor (*abstract, col. 2 lines 46-54, col. 4 lines 20-26, col. 5 lines 5-15*); offering for sale to a consumer *communication device* the for-sale product or for-sale service for sale, wherein said offer for sale is communicated to the consumer communication device over a communications network (*col. 2 lines 60 to col. 3 lines 3, col. 4 lines 52 to col. 5 lines 5*); offering to said consumer *communication device* an incentive related to the purchase of said for-sale product or for-sale service on the precondition that the consumer agrees to first receive or interact with the advertisement, wherein said offer of incentive is communicated to the consumer communication device over a communications network (*abstract, col. 2 lines 29 to col. 3 lines 3, col. 4 lines 46 to col. 5 lines 27*); *upon* receiving an acceptance of said offer from the consumer communication device via the communications network, delivering the selected sponsor message to the consumer communication device over the communications network *for real-time presentation (abstract, col. 2 lines 29 to col. 3 lines 3, and col. 4 lines 15 to col. 5 lines 27)*; presenting at least one query to the consumer *communication device upon completion of real-time presentation of the delivered sponsor message on the consumer communication device (col. 2 lines 50 to col. 3 lines 3, col. 4 lines 20-26, and*

col. 5 lines 10-15); upon receiving a response from the consumer communication device responsive to the at least one query presented, providing, in real time, the offered incentive to the consumer communication device (col. 2 lines 60 to col. 3 lines 3 and col. 5 lines 10-15).

Toader does not specifically teach said advertisement being directed to another for-sale product or another for-sale service offered by the sponsor. Krishan teaches said advertisement being directed to another for-sale product or another for-sale service offered by the sponsor (col. 6 lines 61-64 and Figures 7 and 8). It would have been obvious to modify Toader to include the advertisement being directed to another for-sale product or another for-sale service offered by the sponsor to enable the advertiser to advertise multiple products and services from his inventory and basket of offerings.

Toader also does not teach recording the delivery of the sponsor message to an activity log, said step of recording including updating the number of times the sponsor message has been presented. Krishan teaches recording the delivery of the sponsor message to an activity log, said step of recording including updating the number of times the sponsor message has been presented (col. 6 lines 18-27, col. 13 lines 9-21, and col. 18 lines 48-61). It would have been obvious to modify Toader to include recording the delivery of the sponsor message to an activity log, said step of recording including updating the number of times the sponsor message has been presented to bill the advertisers correctly for the number of advertisements that were presented.

Toader does not teach verifying that the total number of times which the sponsor message has been previously presented is less than a number of predetermined

Art Unit: 3622

transaction cycles contracted by the sponsor of the sponsor message. Official Notice is taken that it is old and well known to verify that the total number of times which the sponsor message has been previously presented is less than a number of predetermined transaction cycles contracted by the sponsor of the sponsor message. For example, when a sponsor bids on displaying his advertisement online in response to a keyword search, the search engines that presented the advertisement verify if the sponsor still has funds available in his account for the number of times he has contracted with the search engine to display his advertisement before the results are presented to the user. It would have been obvious to a person of ordinary skill in the art at the time of the applicant's invention to have included verifying that the total number of times which the sponsor message has been previously presented is less than a number of predetermined transaction cycles contracted by the sponsor of the sponsor message to enable the provider to only provide advertisements that he has already received a payment for.

6. In reference to claims 3 *and* 58, *Toader* teaches the *method and* system, wherein said incentive includes a discount on the purchase of said for-sale product or for-sale service (*col. 2 lines 60 to col. 3 lines 3 and col. 5 lines 10-15*).

7. In reference to claims 5 *and* 60, *Toader* teaches the *method and* system, wherein said incentive is providing the for-sale product or for-sale service to the consumer free of charge (*abstract, col. 2 lines 41 to col. 3 lines 3, and col. 5 lines 10-15*).

8. In reference to claims 6 *and* 61, *Toader* teaches the *method and* system wherein said incentive includes providing information to said consumer (*col. 2 lines 41 to col. 3 lines 3 and col. 4 lines 34-40*).
9. In reference to claims 9 *and* 62, *Toader* teaches the *method and* system wherein said incentive includes in-store coupons (*col. 2 lines 50-54 and col. 4 lines 8-40*).
10. In reference to claims 10 *and* 63, *Toader* teaches the *method and* system, wherein said selected sponsor message is a multimedia presentation (*col. 2 lines 50-56 and col. 4 lines 34-40*).
11. In reference to claims 11 *and* 64, *Toader* teaches the *method and* system, wherein said selected sponsor message is one of an interactive survey, an audio message, a visual display, and an Internet website (*abstract, col. 2 lines 45-54, col. 2 lines 63 to col. 3 lines 3, col. 4 lines 23-26, col. 4 lines 34-40, and col. 5 lines 10-15*).
12. In reference to claims 17, 18, 65, *and* 66, *Toader* teaches the *method and* system wherein the vendor computer is further programmed to perform the step of requesting said consumer to provide identification information including one of said consumer's e-mail address, address information, gender, and age (*col. 2 lines 45-49, col. 2 lines 63 to col. 3 lines 3, col. 4 lines 23-26, and col. 5 lines 10-15*).
13. In reference to claims 24 *and* 67, *Toader* teaches the *method* system, wherein the consumer communication device is a computer (*col. 4 lines 15-32*).
14. In reference to claims 25 *and* 68, *Toader* teaches the *method and* system, wherein said for-sale product or said for-sale service is obtained from the Internet by the

Art Unit: 3622

consumer via the consumer communication device (*col. 2 lines 60 to col. 3 lines 3 and col. 4 lines 57 to col. 5 lines 53*).

15. In reference to claims 26 and 69, *Toader* teaches the *method and system*, wherein said communications network is the Internet (*col. 2 lines 29 to col. 3 lines 3*).

16. Claims 4 and 59 are rejected under U.S.C. 103(a) as being unpatentable over *Toader in view of Krishan*, further in view of Official Notice, and further in view of the article titled, "Free Overnight Shipping From BravoGifts.com Just in Time For Administrative Professionals Day – This Wednesday, April 26th," published in the PR Newswire on April 24, 2000 on page 1 (hereinafter Bravo).

In reference to claims 4 and 59, *Toader* does not teach the *method and system*, wherein said incentive includes paying for shipping and delivery charges related to the purchase of said for sale product or for sale service. Bravo teaches the *method and system*, wherein said incentive includes paying for shipping and delivery charges related to the purchase of said for sale product or for sale service (page 1 paragraphs 1-3). It would have been obvious to modify *Toader* to include among the incentives, paying for shipping and delivery charges related to the purchase of said product or service to encourage the user to make an online purchase and to give the user an option of not having to go to a brick and mortar store to buy a product or service.

17. Claims 56 and 70 are rejected under U.S.C. 103(a) as being unpatentable over *Toader in view of Krishan*, further in view of Official Notice, and further in view of Davis et al. (Patent Number 6,269,361 hereinafter Davis).

In reference to claims 56 *and* 70, *Toader* does not teach the *method and* system further comprising receiving a payment confirmation from the sponsor of the sponsor message presented to the user. Davis teaches the *method and* system further comprising receiving a payment confirmation from the sponsor of the sponsor message presented to the user (col. 13 lines 3-9 and col. 14 lines 1-8). It would have been obvious to modify *Toader* to include receiving a payment confirmation from the advertiser to enable the provider to receive advanced payment from the advertisers prior to showing their advertisements and to not have to worry about billing them later.

Response to Arguments

18. After careful review of Applicant's remarks/arguments filed on 09/20/2010, the Applicant's arguments with respect to claims 1, 3-6, 9-11, 17, 18, 24-26, and 56 have been fully considered but are moot in view of the new ground(s) of rejection.

Amendments to claims 1, 3-5, 6, 9-11, 17, 18, 24-26, and 56-70 have been entered and considered.

19. The "Declaration of Dana Howard Jones Under 37 CFR 1.132" filed 29 May 2009 is insufficient to overcome the rejection of claims 1, 3-6, 9-11, 17, 18, 24-26, and 56 based upon 35 U.S.C. 103 (a) as being unpatentable over Krishan et al. (U.S. Patent No. 6,442,529) in view of Official Notice and further in view of the article titled, "Free Overnight Shipping From BravoGifts.com Just in Time For Administrative Professionals Day – This Wednesday, April 26th," published in the PR Newswire on April 24, 2000 on page 1 and further in view of the article titled, "Stores Lure Credit-Wary Consumers Retailers Employ Range Of Incentives To Draw Applicants," by Richard Foster

Art Unit: 3622

published in the Richmond Times on November 27, 1993 on page C-1 and further in view of Kaplan (U.S. Patent Number 5,963,916) and further in view of Davis et al. (U.S. Patent No. 6,269,361) as set forth in the Office Action above because:

LONG FELT NEED AND COPYING BY OTHERS

The affidavit states that the claimed subject matter solved a problem that was long standing in the art. However, there is no showing that others of ordinary skill in the art were working on the problem and if so, for how long. In addition, there is no evidence that if persons skilled in the art who were presumably working on the problem knew of the teachings of the above cited references, they would still be unable to solve the problem. See MPEP § 716.04. Applicant's states that prior to meeting Ultramercial and learning of the present invention, JiWire's business consisted of selling Internet banner and buttons. This is not persuasive, since no dates are given for a meeting and it is not disclosed and no evidence is provided to demonstrate that whether prior to the time of the meeting, Ultramercial's information was already public. Additionally, it is stated that JiWire listed Ultramercial as a technology partner, wherein they had not previously done so before adopting the inventor's invention, and this confirms that JiWire admits to have adopted (i.e. copied) the inventor's invention. This raises issues regarding whether JiWire was a partner of Ultramercial or a competitor. Further, if JiWire was a partner, then the Applicant could also be potentially barred under 35 U.S.C. 102 (b) from filing a patent application for an invention that has been publicly disclosed for use or sale prior to filing of the actual patent application. The argument that JiWire initially only showed banner ads and buttons and therefore it failed to identify

Art Unit: 3622

the problem does not mean that the companies were working on solving the problem. Similarly, regarding Boingo, the Applicant states that Boingo entered into an agreement with JiWire. Again, if Ultramercial was JiWire's technology partner, then JiWire's agreement with Boingo would not make Boingo a competitor. Similarly, if Boingo was a partner, then the Applicant could also be potentially barred under 35 U.S.C. 102 (b) from filing a patent application for an invention that has been publicly disclosed for use or sale prior to filing of the actual patent application. Applicant has not provided sufficient proof of the relationship between Ultramercial and these two companies to establish that they were indeed competitors. To establish long felt need, the Applicant needs to not only show that there was a recognized need for the invention but that people tried to do what the invention does and failed at doing what the invention does (i.e. they were unable to do so technologically). Furthermore, the failure to solve a long-felt need may be due to factors such as lack of interest or lack of appreciation of an invention's potential or marketability rather than want of technical know-how. *Scully Signal Co. v. Electronics Corp. of America*, 570 F.2d 355, 196 USPQ 657 (1st Cir. 1977). See MPEP §716.04.

COMMERCIAL SUCCESS AND UNEXPECTED RESULTS

Commercial success must be derived from the claimed invention. In considering evidence of commercial success, care should be taken to determine that the commercial success alleged is directly derived from the invention claimed, in a marketplace where the consumer is free to choose on the basis of objective principles, and that such success is not the result of heavy promotion or advertising, shift in

Art Unit: 3622

advertising, consumption by purchasers normally tied to applicant or assignee, or other business events extraneous to the merits of the claimed invention, etc. In re Mageli, 470 F.2d 1380, 176 USPQ 305 (CCPA 1973) (conclusory statements or opinions that increased sales were due to the merits of the invention are entitled to little weight); In re Noznick, 478 F.2d 1260, 178 USPQ 43 (CCPA 1973). The Denverpost.com article submitted by the Applicant highlights that at DIA, the previous pay service was \$7.95 for a 24-hour period, and reports showed 19,000 to 20,000 connections per month. Since the free system began, there has been a tenfold increase in the number of people using the connection. This is indicative of the popularity of use but not of commercial success by the sale of product. There is no evidence of commercial success because of the sale of the Applicant's invention, but rather information is presented about the performance of the product where the revenues are being generated by the user of the product. Users may be signing up for the service, because the DIA heavily promoted it now, because it is now free. Additionally, more people may know about the service now and maybe the previous system may have had bugs and the new system may provide a faster wireless connection. Therefore there is no nexus between a claimed feature of the invention that is responsible for the commercial success of the product sought to be patented, since the product exclusively may not be the reason why users signed up to use the free system. See MPEP § 716.03(b). Pentec, Inc. v. Graphic Controls Corp., 776 F.2d 309, 227 USPQ 766 (Fed. Cir. 1985) (commercial success may have been attributable to extensive advertising and position as a market leader before the introduction of the patented product); In re Fielder, 471 F.2d 690, 176 USPQ 300

(CCPA 1973) (success of invention could be due to recent changes in related technology or consumer demand; here success of claimed voting ballot could be due to the contemporary drive toward greater use of automated data processing techniques) See MPEP 716.03(b).

“A greater than expected result is an evidentiary factor pertinent to the legal conclusion of obviousness ... of the claims at issue.” In re Corkill, 711 F.2d 1496, 226 USPQ 1005 (Fed. Cir. 1985). In Corkhill, the claimed combination showed an additive result when a diminished result would have been expected. This result was persuasive of nonobviousness even though the result was equal to that of one component alone. Evidence of a greater than expected result may also be shown by demonstrating an effect which is greater than the sum of each of the effects taken separately (i.e., demonstrating “synergism”). Merck & Co. Inc. v. Biocraft Laboratories Inc., 874 F.2d 804, 10 USPQ2d 1843 (Fed. Cir.), cert. denied, 493 U.S. 975 (1989). However, a greater than additive effect is not necessarily sufficient to overcome a prima facie case of obviousness because such an effect can either be expected or unexpected. Applicants must further show that the results were greater than those which would have been expected from the prior art to an unobvious extent, and that the results are of a significant, practical advantage. Ex parte The NutraSweet Co., 19 USPQ2d 1586 (Bd. Pat. App. & Inter. 1991) (Evidence showing greater than additive sweetness resulting from the claimed mixture of saccharin and L-aspartyl-L-phenylalanine was not sufficient to outweigh the evidence of obviousness because the teachings of the prior art lead to a general expectation of greater than additive sweetening effects when using mixtures of

synthetic sweeteners.) See MPEP 716.02(a). "Expected beneficial results are evidence of obviousness of a claimed invention, just as unexpected results are evidence of unobviousness thereof." *In re Gershon*, 372 F.2d 535, 538, 152 USPQ 602, 604 (CCPA 1967) See MPEP 716.02(c). Here, offering free internet access to airport patrons is expected to encourage patrons to use the service. This is an expected result no diminished result should be expected because of the incentive of free access.

Although factual evidence is preferable to opinion testimony, such testimony is entitled to consideration and some weight so long as the opinion is not on the ultimate legal conclusion at issue. While an opinion as to a legal conclusion is not entitled to any weight, the underlying basis for the opinion may be persuasive. *In re Chilowsky*, 306 F.2d 908, 134 USPQ 515 (CCPA 1962) (expert opinion that an application meets the requirements of 35 U.S.C. 112 is not entitled to any weight; however, facts supporting a basis for deciding that the specification complies with 35 U.S.C. 112 are entitled to some weight). Although an affidavit or declaration, which states only conclusions, may have some probative value, such an affidavit or declaration may have little weight when considered in light of all the evidence of record in the application. *In re Brandstadter*, 484 F.2d 1395, 179 USPQ 286 (CCPA 1973). See MPEP § 716.01(c).

20. Since the Applicant has presented claim amendments and has added new claims causing the introduction of new prior art references in this Office Action, the Examiner would like the Applicant to review this Office Action prior to scheduling an in person interview based on the rejections raised by the Examiner in view of the amendments and the newly added claims that were submitted with the RCE filing.

Art Unit: 3622

21. Applicants additional remarks are addressed to new limitations in the claims and have been addressed in the rejection necessitated by the amendments.

Conclusion

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office Action. Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Namrata (Pinky) Boveja whose telephone number is 571-272-8105. The Examiner can normally be reached on Mon-Fri, 8:30 am to 5:00 pm.

If attempts to reach the Examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber can be reached on 571-272-6724. The Central FAX Number for the organization where this application or proceeding is assigned is **571-273-8300**.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 1866-217-9197 (toll-free).

/NAMRATA BOVEJA/

Primary Examiner, Art Unit 3622